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Mr. William F. Caton
Acting Secretary
Federal Communications Commission
445 12th Street, NW
Washington, DC 20554

Dear Mr. Caton:

On behalf of the New York State Education Department, I am commenting on the proposed rulemaking for the Schools and Libraries Universal Support Mechanism published in the February 19, 2002 Federal Register.

A. Application Process

A.1. Eligible Services

Item 10: The concept of a web-accessible list of eligible services for which approval would be essentially automatic would streamline the application process and should be adopted. Periodic updating of the list with newly recognized services would be essential, and the period of update could be as frequent as monthly or as infrequent as yearly. Any special conditions for use of a service or limitations could be described as part of the online selection.

Item 12: While the discount program initially excluded the Wide Area Networks (WAN) as a telecommunications component, changes in technology have essentially eliminated the distinction between voice and data carriers. For example, the Sprint system advertises a totally digital voice telecommunications service. Nationally, the voice communications system is becoming part of a global WAN. The funding of a schoolwide WAN by leased telephone and other means, such as cable or wireless, is encouraged.

Item 17: We concur with the recommendation that wireless services to school support staff, including bus drivers and security persons, should be eligible for funding, since these services are essential to the overall educational mission of the school. Further, wireless services are becoming a primary vehicle for communication, replacing the hard-wire phone for many situations. To exclude the wireless format per se grants

unfair advantage to the older communication technology as mentioned in the notice of proposed rulemaking.

Item 18: Voice mail should be treated on par with e-mail. Both are forms of asynchronous communication, each with their own advantages. With proper conversion software, voice mail may be converted to written e-mail and vice versa. Voice mail provides a means for vision-impaired persons or persons without computers to participate in the information flow much the same way that e-mail can serve the hearing impaired.

A.2. Discounts for Internet Access When Bundled With Content

Items 19 - 21: It is clear that distinguishing the cost of Internet access and cost of content can make administering the funding more complex. Service providers can offer different service packages that may make Internet service bundled with content more cost effective than any competing Internet-only service. Therefore, funding should be provided for an Internet service that includes content where the cost of the package is less than or equal to the lowest equivalent Internet-only service. This procedure would be consistent with the goal of obtaining the most cost-effective service.

B. Payment Process

B.1. Choice of Payment Method

Items 29 - 31: We support the rule change clearly delegating to the school or library the choice of payment method and clearly removing from the provider the decision about the payment option. In refunding discounts to billed entities, service providers have a financial incentive to delay refunds. Improper refunding should be a rule violation subject to enforcement provisions as proposed.

B.2. Equipment Transferability

Items 33 - 35: Efficient use of universal service funds suggests that replacement cycles of equipment and cabling should not be too short. Good planning should allow the use of equipment for two to three years and cabling for five to ten years.

B.3. Use of Excess Services in Remote Areas

Items 37 - 41: New York State has many communities in isolated areas where local dial-up or toll-free access is not available. In these areas, the local school or library may serve the community by providing on-site and dial-up access to the Internet for the community beyond normal service hours. Many clients, educators, students, and parents would benefit from around-the-clock Internet access.

C. Appeals Process

C.1 Appeals Procedure

Item 47: As the Commission's experience indicates that 30 days may not be sufficient for preparing and filing an appeal, an extension to 60 days seems a good remedy. As the funding of other applicants does not depend upon the outcome of the appeal, recognizing the mailing date as the filing date would harm no one and would be consistent with other administrative procedures. Allowing more time and a postmark filing date would ensure greater fairness for applicants in more remote areas.

Items 51 - 52: Successful appeals should stand on the same footing as applicants that were initially approved, with equal access to funding.

Item 53: Where successful appeals exceed the funds available, funding from the next year in priority order seems appropriate and the only viable alternative.

D. Enforcement Tools

No comment

E. Unused Funds

E.2. Reduction of Unused Funds

Item 66: Unused funds represent services authorized yet not delivered to schools, libraries, and their communities as a result of any number of impediments. As long as the well-known "digital divide" exists, rule changes that enhance the ability of disadvantaged schools and libraries to access the universal service fund are encouraged. In particular, the second option cited where funds would be carried forward to successive years expressly for the benefit of schools and libraries and in excess of the annual cap is recommended.

Finally, there did not seem to be much attention to the need for accountability for funding on the part of recipients. Perhaps these types of provisions could be strengthened to ensure appropriate use of the money.

Sincerely,

Richard H. Cate